

## Message Text

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ACTION EA-13

INFO OCT-01 ISO-00 SS-20 EB-03 INR-10 SAM-01 SP-01 RSC-01

DRC-01 /051 W

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O P 240814Z MAY 74

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC PRIORITY 2480

AMEMBASSY TOKYO IMMEDIATE

C O N F I D E N T I A L JAKARTA 6422

E.O. 11652: GDS

TAGS: ENRG, EFIN, JA, ID

SUBJECT: ENERGY: INDONESIAN LNG

REF: TOKYO 6679

1. WIJARSO, GOI DIRECTOR OIL AND GAS, CALLED EMBOFF  
AY 24 SEEKING CONFIRMATION OF REPORT HE RECEIVED  
FROM JAPAN CONCERNING CALL AMEMBASSY TOKYO ECON OFFICE  
PURPORTEDLY MADE TO JAPAN-INDONESIA LNG CO (JILCO)  
OFFICIAL. WIJARSO SAID HE WAS TOLD THAT DURING CON-  
VERSATION ECON OFFICER TOLD JILCO OFFICIAL THAT "JAPA-  
NESE WERE PRACTICING UNFAIR COMPETITION VIS-A-VIS THE  
UNITED STATES BY ACCEPTING SUCH A HIGH PRICE FOR LNG  
AND EXTENDING TOO FAVORABLE FINANCING TERMS."  
WIJARSO SAID, "JAPANESE WERE DISTURBED AND  
REPORT GAVE ME (WIJARSO) AN UNEASY FEELING." IN  
RESPONSE TO WIJARSO'S QUERY WHETHER REPORT WAS ACCURATE,  
EMBOFF SAID HE WAS UNABLE TO COMMENT BUT WOULD SEEK  
CLARIFICATION. WIJARSO SAID THAT BECAUSE HE RECOGNIZED  
"THERE WERE PROBABLY SOME ELEMENTS WHICH WOULD LIKE TO  
CAUSE TROUBLE," HE WOULD LIKE TO KNOW IF CONVERSATION  
TOOK PLACE AS REPORTED. ACTION REQUESTED: WE WOULD  
APPRECIATE AMEMBASSY TOKYO'S COMMENTS SOONEST ON REPORT  
RECEIVED BY WIJARSO.

2. EMBOFF ASKED IF GENERAL IBNU SUTONO PLANNED  
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TO MEET WITH PACIFIC LIGHTING (PL) REPS IN SAN FRANCISCO.

WIJARSO RESPONDED, ""I DON'T KNOW."

3. COMMENT. WIJARSO'S CALL AND COMMENTS POINT UP  
EXTREME GOI SENSITIVITY TO ROLE USG IS PLAYING IN LNG  
NEGOTIATIONS. FOR OUR PART, WE BELIEVE THAT WE SHOULD  
ACT WITH EXTREME CIRCUMSPECTION WHEN DEALING WITH GOJ OR  
JAPANESE COMPANIES RECOGNIZING THAT: 1) GOI LIKELY TO  
LEARN RAPIDLY OF ANY ACTIVITIES ON OUR PART AND 2) GIVEN  
IMPORTANCE OF LNG TO BOTH GOI AND GOJ, HIGH STAKES OF  
THE GAME COULD EASILY RESULT IN DISTORTION AND MIS-  
UNDERSTANDING WHICH COULD HAVE LONG TERM NEGATIVE  
EFFECTS ON GOI-USG POLITICAL AND ECONOMIC INTERESTS.  
NEWSOM

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATURAL GAS, LPG, CONTRACTS, PRICES, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 MAY 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GarlanWA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974JAKART06422  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740130-0505  
**From:** JAKARTA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1974/newtext/t19740520/aaaaarpi.tel  
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**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** CONFIDENTIAL  
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**Review Authority:** GarlanWA  
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**Review Date:** 24 JUL 2002  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ENERGY: INDONESIAN LNG  
**TAGS:** ENRG, EFIN, JA, ID  
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**Type:** TE  
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